

MINUTES OF THE JUNE 1, 2018,  
MEETING OF THE COMMITTEE TO STUDY  
THE SALARIES OF CERTAIN POSITIONS IN THE  
UNCLASSIFIED AND NONCLASSIFIED SERVICE OF THE STATE  
(SCR 6, 2017 LEGISLATIVE SESSION)

The third meeting of the Committee to Study the Salaries of Certain Positions in the Unclassified and Nonclassified Service of the State (SCR 6, 2017 Legislative Session) was scheduled to be held at 9:30 a.m. on Friday, June 18, 2018, in Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada with videoconference to Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada.

**COMMITTEE MEMBERS PRESENT IN LAS VEGAS:**

Senator David Parks, Chair  
Assemblywoman Maggie Carlton, Vice Chair  
Senator Joyce Woodhouse  
Assemblyman Chris Brooks

**COMMITTEE MEMBERS PRESENT IN CARSON CITY:**

Senator Pete Goicoechea  
Assemblyman Al Kramer  
Peter Long, Administrator, Division of Human Resource Management, Department of Administration

**COMMITTEE MEMBERS EXCUSED:**

None

**LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Jeff Ferguson, Senior Program Analyst  
Cindy Jones, Fiscal Analyst, Assembly  
Mark Krmpotic, Fiscal Analyst, Senate  
Brenda Erdoes, Legislative Counsel  
Asher Killian, Deputy Legislative Counsel  
Becky Lowe, Fiscal Analysis Division Secretary

**EXHIBITS:**

- [Exhibit A:](#) Agenda
- [Exhibit B:](#) Unclassified Salary Survey Report for the Committee to Study the Salaries of Certain Positions in the Unclassified and Nonclassified Service of the State, provided by the Division of Human Resource Management, Department of Administration
- [Exhibit C:](#) Salary Market Analysis Report presentation, provided by the Supreme Court of Nevada

Exhibit D: Market Analysis Report for the Supreme Court of Nevada, provided by the Supreme Court of Nevada

**I. ROLL CALL.**

Senator David Parks, Chair, called the meeting to order at 9:38 a.m. The secretary called roll and all members were present.

**II. PUBLIC COMMENT.**

There was no public comment.

**III. OPENING REMARKS BY THE CHAIR.**

Chair Parks said this was the third meeting of the SCR 6 Committee. He said the Committee was allowed to have as many as four meetings; however, if the Committee concluded its work, a fourth meeting would not be necessary.

**IV. APPROVAL OF THE MINUTES OF THE JANUARY 31, 2018, MEETING.**

SENATOR WOODHOUSE MOVED TO APPROVE THE  
MINUTES OF THE JANUARY 31, 2018, MEETING.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

**V. APPROVAL OF THE MINUTES OF THE FEBRUARY 8, 2018, MEETING.**

ASSEMBLYWOMAN CARLTON MOVED TO APPROVE  
THE MINUTES OF THE FEBRUARY 8, 2018, MEETING.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

**VI. PRESENTATION OF THE MARKET SALARY ANALYSIS REPORT ON  
POSITIONS SELECTED BY THE COMMITTEE WITHIN THE NEVADA GAMING  
CONTROL BOARD, THE PUBLIC UTILITIES COMMISSION OF NEVADA, THE  
COMMISSION ON ETHICS, AND CERTAIN MEDICAL AND HEALTH RELATED  
POSITIONS.**

Beverly Ghan, Deputy Administrator, Division of Human Resource Management (DHRM), Classification, Compensation and Recruitment Section, Department of Administration, recalled that during the January 31, 2018, meeting of the Committee to Study the Salaries of Certain Positions in the Unclassified and Nonclassified Service of the State (SCR 6, 2017 Legislative Session), the Committee requested the DHRM to

assemble a list of potential position classifications to aid the Committee in the selection of positions for inclusion in the associated market salary analysis. Accordingly, at the direction of the Committee, the DHRM met with representatives from the Commission on Ethics, the Gaming Control Board, the Public Utilities Commission of Nevada (PUCN), and staff from the Fiscal Analysis Division of the Legislative Counsel Bureau to determine which positions would receive the most benefit from inclusion in the study.

Ms. Ghan said the classes to be surveyed were selected based on turnover rate, difficulty in retention and recruitment, and classes whose salaries were believed not to be competitive. Through discussion and testimony at the February 8, 2018, meeting of the Committee, it was decided that the DHRM would survey a total of 37 classes, which were outlined on pages 6 through 10 of the Unclassified Salary Survey Report for the Committee to Study the Salaries of Certain Positions in the Unclassified and Nonclassified Service of the State ([Exhibit B](#)).

Ms. Ghan said in collaboration with the Commission on Ethics, the Gaming Control Board, and the PUCN, the DHRM determined which entities would be invited to participate in the survey, including a number of public and private industries, western states and some eastern states. The entities that responded were listed in bold type on page 5 of the survey ([Exhibit B](#)). While survey responses were not received from all entities, it appears those that did respond had information most relevant to the position descriptions. In reviewing the survey results, it should be noted that this was a survey of salaries only — not total compensation. Inquiries with regard to benefits, retirement, health insurance and leave information were not solicited or collected. Also of note, not all positions were found to be below market salary. Some positions appeared to be reasonably placed at market salary.

Ms. Ghan said the DHRM would respectfully request that the Committee accept the results of the Unclassified Salary Survey as it pertained to the provisions of SCR 6.

Chairman Parks said it was difficult to get entities to respond to these kinds of surveys, but it appeared there was a good response.

Assemblywoman Carlton asked for clarification for the “percent difference” shown on the report starting on page 11 ([Exhibit B](#)).

Mr. Long explained that DHRM asked for the average minimum and maximum salary that an agency was allowed to pay, and the average actual minimum and maximum salary that the agency was actually paying. He noted the two percentages shown at the bottom of each job title would be most relevant, because that was the salary the entities were actually paying for those positions. For example, for the first title listed, Chief, Administration, Gaming Control Board, the actual average minimum and maximum salaries were the same as the average authorized minimum and maximum salaries; the agency could pay less, but normally did not. The percentages indicating the difference of 81.05 percent below and 118.95 percent below were, based on the survey, an accurate representation of how far behind market the state salaries for these titles were compared to the respondents.

Assemblywoman Carlton understood that the Committee would focus on the percentage difference shown in the bottom right corner for each job title.

Assemblyman Kramer said one of the requirements for filling positions such as the Chief of the Gaming Control Board was that the person could have no interests other than that job. For example, they could not be a consultant, or run another business at the same time. He wondered if the same requirements were in place for the other states with legalized gambling that responded to the survey.

Assemblyman Kramer noted that other benefits, such as retirement and health care, were not considered in the survey. He asked if there was a way to know whether the salary was the true number by which the compensation for the positions was compared.

Mr. Long said the survey only requested information about salary, which was what the DHRM was tasked with surveying. No questions about other benefits or requirements prohibiting outside employment was included in the survey.

Senator Goicoechea said the analysis showed that Nevada was definitely underpaying its people. He asked why states like Utah, Oregon, New Mexico and Montana could be paying \$250,000 for a gaming chief position when those states did not have legalized gambling. He questioned whether the survey compared “apples to apples.”

Assemblywoman Carlton said she understood the survey did not necessarily compare a gaming control administrator in another state to Nevada’s gaming control administrator. She noted that Nevada’s Gaming Control Board was the gold standard for gaming regulation, so it would be difficult to compare Nevada’s chief administrator to another gaming control agency’s chief administrator. She added that comparing chief administrative positions in other non-gaming areas might not be comparing “apples to apples,” but the responsibilities might be comparable.

Mr. Long said for some of the positions surveyed, that approach could apply. For example, for the IT positions, the comparisons were probably applied broadly. However, for the chief administrator of the Gaming Control Board, the duties were specific to the duties and responsibilities of that position. On a broader scale, chief administrators all had certain levels of responsibility, but the survey asked to compare Nevada’s position descriptions to the position descriptions of the entities being surveyed. He said the DHRM did not have any control over how closely the respondents looked at those descriptions, but he thought that the entities were comparing Nevada’s salary for the administrator of the Gaming Control Board to the administrator of their own gaming control agency.

Assemblywoman Carlton asked if there was a document that would indicate which entities provided salary information for each of the job titles. Mr. Long said that information would be provided to the Committee.

Senator Goicoechea noted that the chief administrator of gaming regulation in Montana may oversee a very small agency, and therefore could have more than one role in the agency. That would explain why that individual would be paid a higher salary. He said it was critical that the Committee have more facts before it could determine whether the survey indicated the Gaming Control Board officers were underpaid.

Chairman Parks noted the position descriptions were submitted to the entities that were asked to respond. He noted that eight respondents indicated they had a position that was comparable to the Gaming Control Board Chief.

Senator Goicoechea noted there could be additional requirements for certain positions. For example, the chief of a gaming control agency at one of the entities that responded might need to be an attorney.

Chairman Parks asked DHRM staff if they had any other comments relevant to the conversation. Ms. Ghan replied that the DHRM did not have any comments.

## **VII. PRESENTATION OF MARKET ANALYSIS REPORT FOR THE SUPREME COURT OF NEVADA FUNDED BY THE 2017 LEGISLATURE.**

Justice James W. Hardesty said Chief Justice Michael Douglas and Justice Mark Gibbons, who appeared before the Committee at its February 8, 2018, meeting, were at the drug court conference. Therefore, he and Robin Sweet, Director of the Administrative Office of the Courts, and McKenna McCormack, Human Resources Director, would present the Salary Market Analysis Report prepared by the Nevada Supreme Court ([Exhibit C](#)).

Justice Hardesty said he was prepared to present information summarizing a written report titled Market Analysis Report for the Supreme Court of Nevada prepared by Trupp HR containing panoply of issues, considerations, analysis and recommendations regarding court's salary survey ([Exhibit D](#)). Chairman Parks asked Justice Hardesty to present a summary of the report.

Justice Hardesty explained that the courts' survey was a specific "apples to apples" comparison to each of the positions. It was also carefully constructed to focus on government judicial positions, although there was some analysis of positions for which the courts competed with private industry. He said he would be happy to highlight those for the Committee.

Justice Hardesty reported that in January of 2018, the Nevada Supreme Court received a Market Analysis Report from a third-party consulting firm, Trupp HR. He explained that Trupp HR gathered salary data for 15 positions within the court, both unclassified and nonclassified. He said Trupp HR researched positions within six jurisdictions in Nevada that had relevant and comparable positions.

Justice Hardesty made it clear that the Trupp HR survey focused only on salary. He noted the state employees paid into PERS, but most of the counties did not. He noted there was a significant difference in the compensation packages for court employees in Washoe County or Clark County versus a state court. He reiterated that the study was focused only on the base salary.

Justice Hardesty said, in addition to the data Trupp HR gathered from the six jurisdictions, market salary data was also collected from Salary.com CompAnalyst and Economic Research Institute Assessor.

Justice Hardesty said the 15 positions were selected by the Court after consultation with the Supreme Court's Human Resources Department and Trupp HR. The 15 positions surveyed represented 40 percent of the Supreme Court's total head count. The positions were selected so that any pay changes recommended could easily be applied throughout other job positions in the court. He noted that supplemental information for two positions types – Law Clerks and the Clerk of the Court – increased the representation of the Supreme Court's total head count in the survey to 53 percent. He said that information could also be easily extrapolated to the full employment of the Court.

Justice Hardesty said the relevant jurisdictions that we selected for study were the Carson City; City of Sparks; Clark County; Elko County; Washoe County; Superior Court, Sonoma County, California; Salary.com CompAnalyst and the Economic Research Institute (ERI) Salary Assessor. He said Trupp HR established the criteria by which the salary data would be filtered to best align with positions of the Court.

Justice Hardesty said the Supreme Court collected supplemental salary data from entities that the Court competed with for employees, including the federal district court in Nevada, and additional courts in the western United States, including California, Arizona, Oregon, New Mexico and Idaho.

Justice Hardesty said job descriptions for each of the selected positions were compared to job descriptions in similar courts in the jurisdictions that were selected for study. He says that the organizations used for comparison were of similar size to the Supreme Court of Nevada, which was based on an employee count of 150. He said the Supreme Court of Nevada's headcount was roughly 160 to 165.

Justice Hardesty said one of the 15 positions selected for the survey was the Court Marshal. He said the more senior members of the Committee may recall that the Supreme Court was authorized to hire Court Marshals for security. The Court Marshal salary was aligned with the Capitol Police salary. In conducting the survey, Trupp HR did not find job descriptions in these jurisdictions that were closely aligned to the Supreme Court's Marshal position. He noted that the Legislature received a state classified salary survey in 2016, which included incumbents assigned to various divisions, including Capitol Police. Then Department of Public Safety Officer 2 was part

of that study. He said the Supreme Court's Marshal position was paid at a level of a Department of Public Safety Officer 1, which was consistent with what the Capitol Police were paid. The position for Court Marshal was not studied further, and the Court would assume that its salary would be consistent with whatever the Legislature set for the Capitol Police.

Justice Hardesty said, of the remaining two positions, Deputy Clerk 2, and Paralegal, were found by the study to exceed market data. The point was raised as to whether the job duties were accurately described in the job description, and whether the Supreme Court should reevaluate the positions' responsibilities, based on the compensation for those positions. The Supreme Court was currently in the process of doing just that.

Justice Hardesty said there were four positions that, in the Supreme Court and Trupp HR's judgement, met market value. Those were the Court Services Analyst 3, IT Analyst 2, IT Technician 3, and Personnel Analyst 2. Based upon the survey, the compensation being paid for those four positions, in the maximum and minimum range, was consistent with those that were compared in the survey.

Justice Hardesty reported that there were seven positions in which there was a significant difference in pay. Those positions were the Director and State Court Administrator; Deputy Director; Legal Counsel; Staff Attorney; Accounting Assistant 2; Administrative Assistant 2; and Law Librarian 2. He noted that the Staff Attorney position assisted in research and development of dispositions of over 2,900 cases per year for both the Nevada Supreme Court and the Court of Appeals.

Referring to page 8 ([Exhibit C](#)), Justice Hardesty said the bar graph showed the ranges for the State Court Administrator positions in the various jurisdictions that were compared. He noted Washoe County's Court Administrator salary was paid at a maximum of \$123,386, versus the Nevada Supreme Court's maximum of \$131,347. Sonoma County's maximum salary was \$200,000; Clark County, \$175,365; the City of Sparks, \$197,600; and Carson City, \$170,000. With that information the bar graph on page 9 was developed to show the median average of the respondents' reported salary compared to the salary offered by the Nevada Supreme Court for the position. He noted the Nevada Supreme Court's median average was \$131,347. For all of the respondents, the average maximum salary was \$163,537, and the median was \$170,000. Justice Hardesty said that represented a difference of 22.74 percent for the Director and State Court Administrator under the maximum market median salary for like positions when compared to other western states.

Justice Hardesty said the Deputy Director position salary comparison was shown on page 11 ([Exhibit C](#)). The graph on page 12 showed the average and median pay of the other jurisdictions that were canvassed versus the Nevada Supreme Court, which reflected an 18 percent shortfall.

Senator Goicoechea noted Sonoma County offered the highest pay for the Administrator with a salary of \$200,000 but offered the lowest pay for the Deputy Director. He said that

did not make sense, unless their Deputy Director was assigned far lesser duties than some of the other jurisdictions. Justice Hardesty submitted that was the case and added that their caseloads were dramatically different.

In response to a question from Assemblywoman Carlton, Justice Hardesty said the State Court Administrator salary was 22.74 percent below the western state average.

Assemblywoman Carlton asked whether the period of five to six years of the Great Recession, when state workers were not given any type of pay raise at all, accounted for the difference. She said, if the state workers had continued to receive cost of living and merit increases, the salaries might be proportionate. She noted a gap was created when the state balanced the budget using pay cuts and furloughs on its employees. She asked if that was accounted for in the matrix.

Justice Hardesty said no, but during the period of time that the state cut salaries, some of the other jurisdictions experienced the same salary cuts. For example, Washoe County and Clark County either capped or cut salaries during the recession. He offered to reach out to the entities that were used for comparison to find out if that amount could be identified and provide a supplement the report.

Assemblywoman Carlton said it would be helpful to know what part of the difference was due to cuts made during the economic downturn, and what part might be due to the positions being in different job markets. She said state employees helped the state survive over some tough times, and those pay cuts should now be made up.

Justice Hardesty added that the furloughs operated as a reduction in salary. He did not know whether Washoe County or Clark County imposed furloughs on its employees.

Justice Hardesty urged the Committee to compare the Supreme Court's legal counsel salary comparisons to the attorneys at the PUCN, the Gaming Control Board, and the Commission on Ethics. He noted five or six state ethics board responded to the DHRM survey. He said the Supreme Courts' study reflected similar results, although it found that lesser amounts were paid. He said the reason for that was many of the legal counsel in the court system in these jurisdictions were being paid less than lawyers in some of the other departments. In previous budget hearings, he mentioned that the Supreme Court had lost lawyers to other departments throughout the state, which was an ongoing issue. He thought it was interesting to compare the ranges of salary for legal counsel doing similar jobs in different agencies. Justice Hardesty said the Supreme Court's legal counsel, who was the chief legal counsel for all the central staff lawyers in the court, had just as much responsibility and duties as the chief legal counsel for the Gaming Control Board, the PUCN and the Commission on Ethics. Yet, comparisons of the salaries showed the Supreme Court came up short.



Justice Hardesty noted that he commented back in 2010 that lawyers throughout the state were vastly underpaid when compared with lawyers in other states' jurisdictions. The graph on page 14, Unclassified Pay Bill Position Results ([Exhibit C](#)) underscored that point. It showed that the Supreme Court's Chief Legal Counsel position was underpaid by 23 percent. He noted the survey did not compare benefits, just base salary. He said this was an example of a salary comparison that the Committee might want to consider.

Justice Hardesty said the salary situation for staff attorneys was similar to that of legal counsel. He said the staff attorneys worked for the Chief Legal Counsel in the Supreme Court. The survey indicated that their salaries were somewhere between 13 percent below the minimum average and 17 percent below the maximum average.

Justice Hardesty said the Accounting Assistant 2 position was found to be underpaid. He said that could be due to efforts by the Legislature to withstand the recession. The Administrative Assistant 2 position was similarly underpaid. The Law Librarian 2 position was found to be paid at a level beneath the average minimum and maximum salaries.

Justice Hardesty said that since the survey took place, supplemental information was provided by Clark County, Washoe County and the Federal District Court. Washoe County has raised the base pay for the Court Administrator to a level more comparable to the Nevada Supreme Court.

Justice Hardesty said the supplemental information showed the Judicial Chamber Assistant position, which was thought to be underpaid, was in line with the courts with whom the Nevada Supreme Court competed for staff. He noted, a Judicial Chamber Assistant was responsible for serving in a combined capacity as a paralegal, and had many other responsibilities beyond what one might consider to be a judge's secretary. That was true in Clark County, Washoe County, and the Federal District Court.

Justice Hardesty said there was a significant difference of about \$20,000 in the Nevada Supreme Court, Clerk of the Court's salary, compared to Clark County, Washoe County, and the Federal District Court. He described the Clerk of the Court as a unique, important and serious position. He noted the individual was responsible for all of the 2,900 cases that flowed through the clerk's office, and over 7,000 motions.

Justice Hardesty said the Nevada Supreme Court also competed with Clark County, Washoe County, and the Federal District Court for law clerks. The salary impacted the Supreme Court's ability to hire the best and the brightest to serve as law clerks. He noted the graph on page 26 ([Exhibit C](#)) showed a measurable difference in the salaries paid to law clerks.

Finally, Justice Hardesty said he knew there were reservations about making comparisons to jobs within the state services to jobs in private industry. However, in the area of information technology (IT) the state competed with private industry because of the uniqueness of the IT Technician position. He said the Supreme Court's IT Technician salary was compared using LinkedIn and data for two private companies, one in Hawthorne and another in Sparks. He noted the graph on page 27 ([Exhibit C](#)) showed approximately \$4,000 difference in what the Supreme Court was paying versus private industry. He said the Legislature was no different than the Supreme Court in depending on its IT people to keep them up and running.

Chairman Parks said, in a number of positions, the City of Sparks' salaries seemed to far exceed that of other local governments. He asked how that might skew the comparison. He did not know if there was a simple way to remove the City of Sparks to determine whether the numbers caused a significant variance.

Justice Hardesty agreed, if the higher numbers were removed, that would affect the average; however, removing the lower numbers would also affect the average. In the case of the Deputy Director position, if Sonoma County's low salary were removed, and the City of Sparks high salary were removed, the average would not change much. He said if the Committee wanted to see that comparison the Supreme Court would be happy to provide it.

Chairman Parks said the Committee would request a comparison only if it was simple enough to do, and the Supreme Court wanted to see whether the comparison changed the average significantly.

Senator Goicoechea noted the starting pay and the maximum pay for the Law Clerk position in the Supreme Court was the same. He suggested the fact that there was no variation within the Supreme Court scale might be addressed as well.

Justice Hardesty noted he had similar conversations with the money committees in the past. He reminded the Committee, there were three classifications of state employment: classified, unclassified, and nonclassified. He said the Legislature continued to include the Supreme Court in the unclassified pay bill. He said, the Supreme Court, like the Legislature and the Governor's Office, was included in the unclassified pay bill. Therefore, the Supreme Court, like the Legislature and the Governor's Office, should determine its salaries and salary ranges, based upon the appropriations provided by the Legislature.

## **VIII. DISCUSSION OF FORTHCOMING REPORT FROM COMMITTEE, AND POTENTIAL TOPICS, DATES, AND LOCATIONS FOR FUTURE MEETINGS.**

Jeff Ferguson, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said the four duties outlined in SCR 6, Section 3 included the following:

1. A review of any position within the Judicial Department, the Commission on Ethics, the Nevada Gaming Control Board, the PUCN, and any other department, commission or agency of the State of Nevada as determined by the Committee;
2. Include selection of the positions in the unclassified and nonclassified service to be included in the study;
3. Include a review of the salary paid to those state officers; and
4. Provide for a market salary analysis for each of those positions.

Mr. Ferguson said it would appear that the Committee will have met all four of those requirements with the submittal of the Unclassified Salary Survey Report for the Committee to Study the Salaries of Certain Positions in the Unclassified and Nonclassified Service of the State, provided by the DHRM, Department of Administration ([Exhibit B](#)).

Mr. Ferguson said the Committee was required to issue a report outlining its activities and culminating with the information in the DHRM report, and the study prepared by the Nevada Supreme Court, and transmit that report to the appropriate state agencies and individuals who could utilize that information to set unclassified salaries during the 2019 Legislative Session. If the Committee chose to issue such a report, he did not believe there would be a requirement for the Committee to meet further. However, if there was something further that the Committee would like to look into, there another meeting was available.

Chairman Parks noted there was typically a bill that was presented toward the end of the legislative session to address state employee salaries. Thus, there was no need for the Committee to request a bill draft request. He said staff indicated that the Committee has completed its responsibilities under SCR 6. He said the next step would be to request staff to compile a report of the activities and findings of the Committee. The fourth meeting of the Committee would be held if something arose that prompted the need for another meeting.

SENATOR WOODHOUSE MOVED TO REQUEST STAFF TO PREPARE A REPORT AND A LETTER OF TRANSMITTAL OUTLINING THE COMMITTEE'S ACTIVITIES AND FINDINGS FOR THE INTERIM FINANCE COMMITTEE, THE LEGISLATIVE COMMISSION, AND THE OFFICE OF THE GOVERNOR EARLY IN FALL 2018.

THE MOTION WAS SECONDED BY ASSEMBLYWOMAN CARLTON.

THE MOTION PASSED UNANIMOUSLY.

**IX. PUBLIC COMMENT.**

There was no public comment.

**X. ADJOURNMENT.**

The meeting was adjourned at 10:43 a.m.

Respectfully submitted,

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Becky Lowe, Committee Secretary

APPROVED:

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Senator David Parks, Chair

Date: \_\_\_\_\_

**Copies of exhibits mentioned in these minutes are on file in the Fiscal Analysis Division at the Legislative Counsel Bureau, Carson City, Nevada. The division may be contacted at (775)684-6821.**